

SUCCESS STORY

Yula Corporation

New York Manufacturing Extension Partnership

“Realizing that Yula was transitioning, and looking for ways to improve organization and work flow, we turned to ITAC for help. We were able to not only have a continued source of help and understanding of our needs, but expert guidance as well. ITAC's assistance helped us have a clear picture of the future with realistic goals. We have defined and divided responsibilities that suit our individual talents and personalities. We no longer overlap and do extra work, although we all understand the importance of redundancy. We've identified problems we'd previously ignored and now have plans to reorganize and develop new practices that eliminate waste and increase profits. We appreciate having ITAC as a trusted advisor whenever they are needed.” Michael R. Feldman, Vice President and Owner

Roadmap for a Successful Transition

ABOUT. Yula Corporation is a Bronx based manufacturer specializing in the design and fabrication of sanitary, industrial and process heat exchangers. A third generation family run and operated business since 1926, Yula has customers in regional, national and international markets. The ability to provide customized design, engineering and fabrication services has earned them a strong customer base in the biotech, industrial, chemical process and OEM industries. Yula has 30 employees.



RESULTS



4 jobs created/retained



\$450,000 in new/retained sales



\$50,000 investment to modernize equipment



Successfully transitioned business from second to third generation

NEXT STEPS



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THE CHALLENGE. Brothers Larry and Fred Feldman (2nd generation owners) had previously agreed that their children would not join the business; however, changing circumstances resulted in their three sons joining Yula. As the business started to emerge from a crisis mode after the recession, and with both owners approaching retirement age, there was urgency to put in place a plan for management and ownership transition to the next generation. The main goal for both brothers was to retain the value of their life's work and provide for a secure future for the next generation. The owners were aware of the challenges this endeavor presented and had taken some steps in the past to start the planning process. They were now looking for a clear roadmap and guidance to accomplish the successful transition of management and ownership to the next generation.

MEP'S ROLE. NIST MEP affiliate, ITAC, mobilized its Grow Smart team to assess the current and future needs of the ownership and to prepare a Roadmap for the company to follow. This included meetings, facilitated by ITAC, with both generations participating in robust discussions on goals, priorities, roles, expectations, and laying out milestones for the transition. As a result, both generations committed themselves to making the changes necessary, including but not limited to: transitioning job functions, mastering new skills and technologies, and building up the manufacturing and engineering capacities at the company, to make this transition roadmap a success. Yula management also worked with ITAC to look for ways to reduce operating costs using Lean Manufacturing methodologies and to increase sales by expanding deeper into exports and other complementary markets.